

## Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 08747 261849Z

ACTION IO-13

INFO OCT-01 AGRE-00 USIA-06 AID-05 EB-07 AF-10 ARA-06

EA-07 EUR-12 NEA-10 COME-00 ISO-00 TRSE-00 L-03

SS-15 NSC-05 CIAE-00 INR-07 NSAE-00 /107 W

-----270821Z 060666 /108746

R 261720Z MAY 77

FM AMEMBASSY ROME

TO SECSTATE WASHDC 4889

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

USMISSION GENEVA

USMISSION USUN NEW YORK

LIMITED OFFICIAL USE ROME 8747

FODAG

E.O. 11652: N/A

TAGS: AORG, EAGR, FAO

SUBJECT: FAO PROGRAM OF WORK AND BUDGET FOR 1978/79

REF: ROME 8746

1. THE GENEVA GROUP ROME HAD A GENERAL DISCUSSION OF THE FAO BUDGET ALONG WITH A DISCUSSION OF US PROPOSALS TO ELIMINATE THE TECHNICAL COOPERATION PROGRAM (TCP), SEE REFTEL. BASIC  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 08747 261849Z

DISCUSSION WAS ON BASIS OF SUBCOMMITTEE PAPER PREPARED BY DUTCH WHICH IS BEING HAND-CARRIED TO WASHINGTON BY WOLF, IO/AGR, ENTITLED CRITICAL ANALYSIS OF FAO SUMMARY PROGRAM OF WORK AND BUDGET 1978/79. GROUP GENERALLY ENDORSED PAPER. SPECIFIC POINTS FOLLOW.

2. ON OVERALL FAO BUDGET LEVEL OF \$206.8 MILLION FOR 1978/79,

FRENCH POINTED OUT MAIN POINT IS TO RESTRICT BUDGET GROWTH. PROPOSED FAO BUDGET INCREASE IS WELL OVER PREVIOUS FRENCH PROPOSAL TO LIMIT ABSOLUTE GROWTH TO NO MORE THAN 10 PERCENT. JAPAN ALSO STRESSED CONCERN OVER RATE OF FAO BUDGET GROWTH. SWITZERLAND HAS NOT FINISHED ITS REVIEW OF FAO BUDGET, BUT BELIEVES \$206.8 MILLION FIGURE IS TOO HIGH. ITALY IS VERY WORRIED ABOUT BUDGET LEVEL AND RATES OF INFLATION USED TO COMPUTE BUDGET.

3. CANADA BELIEVES 6.8 PERCENT REAL INCREASE IN FAO BUDGET IS TOO HIGH. THIS IS ESPECIALLY TRUE WHEN ONE RELATES IT TO WHO'S 2 PERCENT REAL INCREASE AND EVEN MORE WHEN ONE REALIZES THE FAO BIENNIAL BUDGET IN FOUR YEARS HAS INCREASED FROM \$103 MILLION IN 1973 TO \$206 MILLION IN 1977. IN FACT 6.8 PERCENT IS NOT THE REAL RATE OF GROWTH SINCE ONE SHOULD ADD THE PROPOSED CARRYOVER OF TCP FUNDS AND THE SUSPENSE ACCOUNT. IF ONE ADDS THESE SUMS TO \$206.8 MILLION THEN THE INCREASE IS OVER 10 PERCENT REAL GROWTH.

4. ALL COUNTRIES THAT SPOKE WERE AGAINST USE OF THE SUSPENSE ACCOUNT TO FUND A SPECIAL FUND FOR POST-HARVEST LOSSES. HOWEVER, THE SWEDES WERE MORE WORRIED ABOUT A NEW SPECIAL FUND THAN RETURN OF SUSPENSE ACCOUNT MONEY. SWEDES POINTED OUT NEW POST-HARVEST LOSS FUND WOULD IN EFFECT BE ANOTHER FAO FUND FOR GRANTING TECHNICAL ASSISTANCE IN A SPECIFIC SECTOR. FRANCE OPPOSED USE OF SUSPENSE ACCOUNT AND CREATING OF SPECIAL FUND FOR POST-HARVEST LOSSES. CANADA SAID IT SUPPORTED U.S. PROPOSAL TO OPPOSE USE OF SUSPENSE ACCOUNT FUND TO FUND A POST-HARVEST LOSS PROGRAM. UK BELIEVES A DEAL WILL BE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 08747 261849Z

NECESSARY UNDER WHICH DIRECTOR GENERAL WOULD RETURN SUSPENSE ACCOUNT FUNDS WHILE MAJOR CONTRIBUTORS PROMISED TO FUND A POST-HARVEST LOSS PROGRAM. A NUMBER OF COUNTRIES OBJECTED TO SUCH A DEAL.

5. ONE THE DUTCH PAPER, A CRITICAL ANALYSIS OF FAO SUMMARY PROGRAM OF WORK AND BUDGET, THERE WAS GENERAL AGREEMENT THOUGH NOT ALL MEMBERS HAD STUDIED IT IN DEPTH. SOME COUNTRIES QUESTIONED THE COST OF EXPENSES OF COUNTRY REPRESENTATIVE OFFICES. IT WAS THOUGHT SAOUMA'S ATTEMPT TO GET HOST COUNTRY TO PAY SOME COSTS WAS FACTOR EXPLAINING SLOWNESS OF APPOINTING COUNTRY REPRESENTATIVES. FAO MIGHT BE QUESTIONED ON THIS.

6. THE DEFINITION OF TECHNICAL COOPERATION, PAGE 3 OF REPORT, WAS DISCUSSED AT SOME LENGTH, SEPTEL, BUT GROUP FELT LAST FOUR PARAGRAPHS OF 2.3 ON PAGE 3 WERE A GOOD STATEMENT OF PROBLEM.

7. RESOURCES ALLOCATED TO INVESTMENT SECTION PAGE 3 WAS COMMENDED, BUT IT WAS NOTED THAT INVESTMENT COMPONENT OF TCP

COULD ADD \$4-5 MILLION TO THESE FIGURES.

8. THE UK ASKED ABOUT THE FUTURE OF THE INTERNATIONAL FERTILIZER SUPPLY SCHEME. THE UK AND SWITERZERLAND, BOTH BIG DONORS, ARE THINKING ABOUT CUTTING THEIR CONTRIBUTIONS. HOWEVER AUSTRALIA AND NEW ZEALAND BOTH ARE THINKING ABOUT NEW CONTRIBUTIONS WHILE SWEDEN AND THE NETHERLANDS WILL CONTRIBUTE ON A PROJECT BASIS WHEN ALL FAO FERTILIZER PROGRAMS ARE PUT TOGETHER.

9. UNDER SUPPORT SERVICES, PAGE 11, A NUMBER OF COUNTRIES BELIEVED THE COST OF SUPPORTING GROUP OF 77 MEETINGS, TRANSLATION OFFICE SPACE AND SECRETARY, SHOULD BE MORE CLOSELY EXAMINED.GARDNER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BUDGETS, COMMITTEE MEETINGS, PROGRAMS (PROJECTS), MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 26-May-1977 12:00:00 am  
**Decapton Date:** 01-Jan-1960 12:00:00 am  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977ROME08747  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770189-1195  
**Format:** TEL  
**From:** ROME  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770514/aaaaaltr.tel  
**Line Count:** 129  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 3a643289-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION IO  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 ROME 8746  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 17-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2354914  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FAO PROGRAM OF WORK AND BUDGET FOR 1978/79  
**TAGS:** AORG, EAGR, FAO  
**To:** STATE  
**Type:** TE  
**vdkgvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/3a643289-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009